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UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION

QUAD/TECH INC., a Wisconsin corporation,  
  
Plaintiff,  
  
v.  
  
Q.I. PRESS CONTROLS B.V. of the Netherlands,  
  
and  
  
Q.I. PRESS CONTROLS NORTH AMERICA  
LTD., INC., a Rhode Island corporation,  
  
Defendants.

Civil Action No.: CV 10-2243 (CRB)

**DEFENDANT QIPC-NA'S  
NOTICE OF MOTION AND  
MOTION TO DISMISS OR  
TRANSFER**

Date: October 29, 2010  
Time: 10 a.m.  
Dept.: Courtroom 8, 19th Floor  
Judge: Honorable Charles R. Breyer

**JURY TRIAL DEMANDED**

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**NOTICE OF MOTION AND MOTION**

PLEASE TAKE NOTICE that on October 29, 2010, at 10:00 a.m., before the Honorable Charles R. Breyer, Defendant Q.I. Press Controls North America Ltd., Inc. (“QIPC-NA”), will and hereby does move under Federal Rule of Civil Procedure 12(b)(6) to dismiss the First Amended Complaint of Plaintiff Quad/Tech, Inc. (“Quad/Tech”) against it and named co-defendant Q.I. Press Controls B.V.<sup>1</sup> (“QIPC-BV,” and collectively “QIPC”) or, in the alternative, to transfer the case to the United States District Court for the Eastern District of Pennsylvania.

In this case, plaintiff Quad/Tech makes a duplicative claim for infringement of U.S. Pat. No. 5,412,577, because Quad/Tech asserted the same cause of action earlier this year in the Eastern District of Pennsylvania before the Honorable Eduardo C. Robreno. *See Quad/Tech, Inc. v. Q.I. Press Controls B.V. et al.*, 701 F. Supp. 2d 644 (E.D. Pa. 2010). Quad/Tech’s complaint for patent infringement should be dismissed as improper claim splitting and contrary to Judge Robreno’s order staying the Pennsylvania case in favor of Quad/Tech’s interlocutory appeal. In the alternative, the case should be transferred to the Eastern District of Pennsylvania, where Judge Robreno is already familiar with the parties, the products, and the technologies at issue.

This motion is based on this Notice of Motion and Motion, including the Memorandum of Points and Authorities set forth below; QIPC’s Request for Judicial Notice and Declaration in Support Thereof, and the exhibits thereto; the pleadings and papers on file with the Court; and such other matters as may be presented to the Court at the time of the hearing.

**MEMORANDUM OF POINTS AND AUTHORITIES**

**I. INTRODUCTION**

This is Quad/Tech’s second suit alleging infringement of U.S. Pat. No. 5,412,577 by QIPC. The first suit is pending in the District of Pennsylvania before Judge Robreno, who has already invested substantial time and resources into matters concerning the ‘577 patent: he considered (and denied) a fully briefed and argued motion for a preliminary injunction; he construed the claims of the ‘577 patent in association with that motion; he decided several

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<sup>1</sup> QIPC-BV would join this motion, but it has not been served and is not yet a party.

1 discovery and evidentiary motions; and he considered (and denied) Quad/Tech's motion to amend  
 2 its pleadings to make the same infringement contentions it makes in the case before this Court.  
 3 *See Quad/Tech*, 701 F. Supp. 2d at 658; United States District Court for the Eastern District of  
 4 Pennsylvania Civil Docket for *Quad/Tech, Inc. v. Q.I. Press Controls B.V. et al.*, Case No. 2:09-  
 5 cv-02561 ("Pennsylvania Docket"), at Docket Entry No. 8 (Exhibit A).<sup>2</sup> After Quad/Tech filed  
 6 an appeal from the denial of its motion for a preliminary injunction, Judge Robreno stayed the  
 7 Pennsylvania case. *See* May 6, 2010 Order (Exhibit F). Shortly thereafter, Quad/Tech sued on  
 8 the same patent in California.

9       There are two reasons that the Court should dismiss Quad/Tech's First Amended  
 10 California Complaint: First, it is forbidden by the rule against claim splitting. The California  
 11 case addresses substantially the same facts, legal rights, and defenses as the Pennsylvania case.  
 12 Allowing the California case to go forward will circumvent the orders of the Pennsylvania court,  
 13 create the possibility of further inconsistent judgments, and involve substantial overlap of  
 14 evidence and testimony.

15       Second, the First Amended California Complaint is barred by the first-to-file rule. In the  
 16 Pennsylvania case, Quad/Tech alleges infringement of the '577 patent by QIPC, and QIPC has  
 17 counterclaimed for declarations of noninfringement and invalidity. The allegations with respect  
 18 to the '508 patent substantially overlap those with respect to the '577 patent—they involve the  
 19 same accused products and the same parties. Under the rule, the Pennsylvania case is the first-  
 20 filed case, and the California case should be dismissed.

21       If the California case is not dismissed outright, the Court should transfer it to Judge  
 22 Robreno in the Eastern District of Pennsylvania. To date, the Pennsylvania case has involved a  
 23 preliminary injunction hearing, claim construction proceedings, written discovery, depositions,  
 24 and substantial motion practice. The Pennsylvania court and counsel are steeped in the

25 \_\_\_\_\_  
 26 <sup>2</sup> "Exhibit \_\_" refers to the corresponding exhibit to QIPC-NA's Request for Judicial Notice and  
 27 Declaration in Support Thereof, filed concurrently with this Motion to Dismiss. On a motion to  
 28 dismiss, this Court may consider the Complaint (Exhibit G), documents attached to the  
 Complaint, and documents of which this Court takes judicial notice (Exhibits A-F). *See United*  
*States v. Ritchie*, 342 F. 3d 903, 908 (9th Cir. 2003).

knowledge of the case. In comparison, not every defendant in the California case has even been served yet. Without a doubt, Pennsylvania is the more convenient venue for resolution of Quad/Tech's claims. Not to transfer the case would waste judicial resources and risk inconsistent rulings, orders, and possibly judgments.

## II. BACKGROUND AND PROCEDURAL HISTORY

The background of the technology at issue and the proceedings between the parties is summarized in *Quad/Tech, Inc. v. Q.I. Press Controls B.V. et al.*, 701 F. Supp. 2d 644 (E.D. Pa. 2010) and need not be repeated here. The following chronology, drawn from the dockets of the Pennsylvania and California cases, will put the germane events in perspective:

Date	Event
June 5, 2009	Quad/Tech sues QIPC in the Eastern District of Pennsylvania for infringement of the '577 patent
July 2, 2009	Quad/Tech files a motion for a preliminary injunction seeking to enjoin QIPC from infringing the '577 patent in any manner
September 22, 2009	Quad/Tech files First Amended Pennsylvania Complaint in the Eastern District of Pennsylvania
October 2, 2009	QIPC answers the First Amended Pennsylvania Complaint and counterclaims for declaratory judgments of noninfringement and invalidity of the '577 patent
March 8, 2010	Quad/Tech files motion for leave to file Second Amended Pennsylvania Complaint
April 1, 2010	Judge Robreno denies Quad/Tech's motion to file a Second Amended Pennsylvania Complaint and Quad/Tech's motion for a preliminary injunction against infringement of the '577 patent
May 3, 2010	Quad/Tech files notice of appeal from order denying preliminary injunction
May 6, 2010	Judge Robreno orders Pennsylvania matter placed in suspense
May 19, 2010	Quad/Tech moves to lift stay with respect to non-patent causes of action
May 24, 2010	Quad/Tech sues QIPC in the Northern District of California for infringement of the '577 patent
June 9, 2010	Judge Robreno denies Quad/Tech motion to lift stay
August 13, 2010	Quad/Tech files First Amended California Complaint, alleging infringement of the '577 patent and a second patent (U.S. Pat. No. 7,032,508)
August 30, 2010	Quad/Tech serves QIPC-NA with First Amended California Complaint

### III. ARGUMENT

#### A. This Case Should Be Dismissed Under the Doctrine of Claim Splitting.

Quad/Tech has no right to bring two separate actions involving the same subject matter against QIPC. *Walton v. Eaton Corp.*, 563 F.3d 66, 71 (3d Cir. 1977). The California case is barred by the rule against claim splitting, which “prohibits a plaintiff from prosecuting its case piecemeal, and requires that all claims arising out of a single wrong be presented in one action.” *Sensormatic Sec. Corp. v. Sensormatic Elecs. Corp.*, 329 F. Supp. 2d 574, 579 (D. Md. 2004) (citations omitted). As the Federal Circuit explained:

It is well established that a party may not split a cause of action into separate grounds of recovery and raise the separate grounds in successive lawsuits; instead, a party must raise in a single lawsuit all the grounds of recovery arising from a single transaction or series of transactions that can be brought together.

*Mars Inc. v. Nippon Conlux Kabushiki-Kaisha*, 58 F.3d 616, 619 (Fed. Cir. 1995) (applying regional circuit law).

The rule against claim splitting (also referred to as the rule against duplicative litigation) is related to *res judicata*, in that both doctrines are intended to foster judicial economy and protect parties against vexatious and expensive litigation. *Adams v. Cal. Dep’t of Health Servs.*, 487 F.3d 684, 692-693 (9th Cir. 2007). In particular, the claim splitting doctrine applies “to bar a plaintiff from filing a new lawsuit after the court in an earlier action denied leave to amend the complaint to add those claims.” *Sensormatic*, 329 F. Supp. 2d at 579; *see also Walton v. Eaton Corp.*, 563 F.3d 66, 71 (3d Cir. 1977) (“[T]he court must insure that the plaintiff does not use the incorrect procedure of filing duplicative complaints for the purpose of circumventing the rules pertaining to the amendment of complaints, Fed. R. Civ. Proc. 15, and demand for trial by jury, Fed. R. Civ. Proc. 38.”); *Biogenex Labs., Inc. v. Ventana Med. Sys., Inc.*, No. 05-860-JF, 2005 U.S. Dist. LEXIS 45405, at \*8-10 (N.D. Cal. Aug. 5, 2005) (dismissing a second patent action because “a patent plaintiff should not be permitted to avoid the adverse consequences of failing to assert all patent claims in a pending action by simply filing a new patent action”).

The Court of Appeals for the Ninth Circuit applies the “transaction test,” developed in the claim preclusion context, to determine whether a subsequent suit should be barred as duplicative



of a plaintiff's first suit. *See Adams*, 487 F.3d at 688-89. Under this "transaction test," the Court determines whether successive causes of action are the same by examining four criteria: "(1) whether rights or interests established in the prior judgment would be destroyed or impaired by prosecution of the second action; (2) whether substantially the same evidence is presented in the two actions; (3) whether the two suits involve infringement of the same right; and (4) whether the two suits arise out of the same transactional nucleus of facts." *Id.* (quoting *Constantini v. Trans World Airlines*, 681 F.2d 1199, 1201-02 (9th Cir. 1982)). The last factor is the most important element of the transaction test. *See id.*

**1. Quad/Tech's Claims in the Pennsylvania Case and the California Case Are Duplicative Because They Arise Out of the Same Transactional Nucleus of Facts.**

"Whether two events are part of the same transaction or series depends on whether they are related to the same set of facts and whether they could conveniently be tried together." *Adams*, 487 F.3d at 689 (quoting *Western Sys., Inc. v. Ulloa*, 958 F.2d 864, 871 (9th Cir. 1992)). Three examples show how the Pennsylvania and California cases are related to the same set of facts and could be tried together. First, when Quad/Tech moved for a preliminary injunction in the Pennsylvania case, it sought to enjoin QIPC from "directly or indirectly infringing, the claims of United States Patent No. 5,412,577 *in any manner*, including but not limited to, by making, using, offering for sale, or selling the mRC registration system." Quad/Tech Proposed Preliminary Injunction Order at 2 (emphasis added) (Exhibit B). In Pennsylvania, Quad/Tech requested (but did not obtain) a broad remedy as to the alleged infringement of the '577 patent. In California, Quad/Tech prays that QIPC "be preliminarily and permanently enjoined from further and continued infringement of the claims of the '577 Patent and the '508 Patent as provided by 35 U.S.C. § 283." Quad/Tech First Amended California Complaint at 8 (Exhibit G).

Second, in addition to overlapping remedies, there are overlapping charges of infringement:

Infringement Charge First Amended Pennsylvania Complaint	Infringement Charge (Proposed) Second Amended Pennsylvania Complaint	Infringement Charge First Amended California Complaint
Upon information and belief, Defendants, acting alone or with others, are, and have been, infringing the claims of the '577 Patent by the continued manufacture, import, assembly, offer to sell, or sale of the mRC color control and cut-off system for presses and other devices within the United States without license from Quad/Tech, which product or products fall within the scope of one or more claims of the '577 patent.	Defendants, acting alone or with others, are, and have been, infringing the claims of the '577 Patent by the continued manufacture, import, assembly, offer to sell, or sale of the mRC, IRS, and IDS color control and cut-off systems for presses and other devices within the United States without license from Quad/Tech, which product or products fall within the scope of one or more claims of the '577 patent.	Defendants, acting alone or with others, are, and have been, directly infringing the claims of the '577 Patent by the continued manufacture, import, assembly, offer to sell, or sale of the IDS color control system for presses and other devices within the United States without license from Quad/Tech.
Quad/Tech First Amended Complaint Pennsylvania at ¶ 50 (Exhibit C)	Quad/Tech [Proposed] Second Amended Pennsylvania Complaint at ¶ 51 (Exhibit E)	Quad/Tech First Amended California Complaint at ¶ 29 (Exhibit G)

Third, Quad/Tech's allegations of infringement of the '577 patent in the Pennsylvania case and of the '577 and '508 patents in the California case share a common factual basis. QIPC's IDS color density control system and QIPC's registration control systems are typically sold together, and the sole act tying QIPC to this judicial district is the sale of the mRC<sup>+</sup> color registration control system and the IDS color density control system together to QIPC's customer Transcontinental on or about June 20, 2008. Thus, Quad/Tech's two complaints are based on a common set of facts. *See Durney v. WaveCrest Labs.*, 441 F. Supp. 2d 1055, 1060 (N.D. Cal. 2005) ("In determining whether the same transactional nucleus of facts are involved, courts have focused on whether the two causes of action allege the same conduct and whether the two causes of action allege conduct which is contemporaneous."); *see also Single Chip Sys. Corp. v. Intermec IP Corp.*, 495 F. Supp. 2d 1052, 1063 (S.D. Cal. 2007) (finding a common transactional nucleus of operative facts where a party's pleadings alleged identical facts).

1           There are also common factual and legal issues between the two cases with respect to  
 2       QIPC's affirmative defenses. In the Pennsylvania case, QIPC asserted the affirmative defenses of  
 3       invalidity of the '577 patent, non-infringement of the '577 patent, prosecution history estoppel,  
 4       lack of notice of the '577 patent, statute of limitations, equitable defenses, and patent misuse. *See*  
 5       QIPC's Answer to First Amended Complaint (Exhibit D). QIPC expects to raise the same  
 6       defenses in the California case, if it were to go forward. Thus, joint disposition of the two cases  
 7       is appropriate, because it would "disclose[] a cohesive narrative" with respect to QIPC's alleged  
 8       infringement, baseless though it is. *Adams*, 487 F.3d at 689-90.

9                               **2.       Allowing the California Case to Proceed Will Eviscerate the Rulings of**  
 10                              **Judge Robreno in the Pennsylvania Case.**

11           Most significantly, this case threatens to undo Judge Robreno's orders in the Pennsylvania  
 12       case and the consequences that flow from them. This case is directly analogous to the situation in  
 13       *Biogenex Laboratories*, in which the patent owner tried to evade the denial of its motion for leave  
 14       to amend its infringement contentions to add an additional patent claim. Judge Fogel ruled that:

15                       a patent plaintiff should not be permitted to avoid the adverse consequences of  
 16                       failing [to] assert all patent claims in a pending action by simply filing a new  
 17                       patent action. . . . Otherwise, this Court's express requirements governing patent  
 18                       litigation and, in particular, preliminary infringement contentions, would be totally  
 19                       eviscerated. If it were to permit Biogenex to assert claim 5 of the '452 patent in the  
 20                       Second Action, the Court almost certainly would consolidate or at least relate the  
                      two actions for purposes of judicial economy, as they involve the same patents and  
                      the same accused conduct. Were that to happen, all of the efforts of the Court and  
                      the parties relating to litigation of the '452 patent in the First Action, including the  
                      question of whether Biogenex should be permitted to assert claim 5 in that action,  
                      would be negated. Biogenex essentially would have obtained a reversal of the  
                      Court's ruling in the First Action.

21       *Biogenex Labs*, 2005 U.S. Dist. LEXIS 45405, at \*8-9.

22           This motion to dismiss should be granted for the same reason the motion to dismiss in  
 23       *Biogenex Laboratories* was granted. In the Pennsylvania case, Judge Robreno denied  
 24       Quad/Tech's motion for a preliminary injunction against infringement of the '577 patent, stayed  
 25       the case pending Quad/Tech's appeal of the court's claim construction and finding that the mRC  
 26       system at issue did not infringe the '577 patent, and ruled that Quad/Tech may not amend its  
 27       complaint to expressly assert infringement against the IDS system.

1 The rule against claim splitting prevents Quad/Tech from avoiding these adverse rulings  
 2 by filing a duplicative action in another forum. *See, e.g., Adams*, 487 F. 3d at 688 (holding that  
 3 “the fact that plaintiff was denied leave to amend does not give [it] the right to file a second  
 4 lawsuit based on the same facts”); *Black & Decker, Inc. v. Robert Bosch Tool Corp.*, 500 F. Supp.  
 5 2d 864, 872-73 (N.D. Ill. 2007) (dismissing second-filed action involving same patent claims  
 6 against new products where new products were precluded from first-filed action); *American Stock*  
 7 *Exchange, LLC v. Mopex, Inc.*, 215 F.R.D. 87, 92 (S.D.N.Y. 2002) (“Courts have consistently  
 8 held that a plaintiff is barred from asserting a patent in a subsequent action against products or  
 9 processes if that patent could have been asserted in the prior action.”). Judge Robreno’s work in  
 10 the earlier-filed patent suit “could be eviscerated through the re-trial” involving the same patent  
 11 and similar technology in a later-filed patent case. *Single Chip Sys.*, 495 F. Supp. 2d at 1065.  
 12 That sorry state of affairs should not be risked here.

13 **B. This Case Should Be Dismissed Under the First-To-File Rule.**

14 Quad/Tech’s second patent infringement suit violates the first-to-file rule as well. *See*  
 15 *Alltrade, Inc. v. Uniweld Prods., Inc.*, 946 F.2d 622, 624 (9th Cir. 1991) (discussing the purpose  
 16 of the first-to-file doctrine). The first-to-file rule “permits a district court to decline jurisdiction  
 17 over an action when a complaint involving the same parties and issues has already been filed in  
 18 another district” and “[n]ormally sound judicial administration would indicate that when two  
 19 identical actions are filed in courts of concurrent jurisdiction, the court which first acquired  
 20 jurisdiction should try the lawsuit and no purpose would be served by proceeding with a second  
 21 action.” *Pacesetter Sys., Inc. v. Medtronic, Inc.*, 678 F.2d 93, 94-95 (9th Cir. 1982). The Federal  
 22 Circuit agrees that in patent cases “the general rule favors the forum of the first-filed action,”  
 23 unless the interests of justice or expediency require a departure. *Genentech, Inc. v. Eli Lilly &*  
 24 *Co.*, 998 F.2d 931, 937 (Fed. Cir. 1993). Thus, absent an exception to the first-to-file rule, courts  
 25 “will defer to a court of first-filing, if the two matters before them exhibit chronology, identity of  
 26 parties, and similarity of issues.” *Intersearch Worldwide, Ltd. v. Intersearch Group, Inc.*, 544 F.  
 27 Supp. 2d 949, 957 (N.D. Cal. 2008). The test is whether:  
 28

(1) are the two pending actions so duplicative or involve substantially similar issues that one court should decide the issues; and (2) which of the two courts should resolve the case? The issues need not be identical to allow one court to decide the action, but there must be substantial overlap between the two suits.

*Id.* at 959-960 (quoting *Dumas v. Major League Baseball Props., Inc.*, 52 F.Supp.2d 1183, 1193 (S.D. Cal. 1999), *vacated on other grounds by*, 104 F.Supp.2d 1224 (S.D. Cal. 2000), *aff'd*, 300 F.3d 1083 (9th Cir. 2002)).

Under this test, the Pennsylvania case is the first-filed case. The parties to this case are also parties to the Pennsylvania case.<sup>3</sup> Quad/Tech made similar, even duplicative, allegations of infringement of the '577 patent in both lawsuits, seeking to name an mRC registration system, the IRS, and the IDS in the Pennsylvania case and naming the IDS in this case. The Pennsylvania case is the first-filed case even though it does not include the '508 patent: the first-to-file rule does not require the dueling suits to be identical, but "is satisfied by a *sufficient* similarity of issues." *Intersearch Worldwide*, 544 F. Supp. 2d at 959-60. Even though the '508 patent is not asserted in the Pennsylvania case, the issues are sufficiently similar. Quad/Tech sought to enjoin sale of the same products in the Pennsylvania case as it seeks to enjoin in the California case. The same documents will have to be produced, the same people deposed.

The procedural history and posture of the two cases favors dismissing this one. The Pennsylvania case has already proceeded past the preliminary injunction stage, and the parties have conducted discovery, motion practice, and an evidentiary hearing, whereas this case was only recently docketed. *See Intersearch Worldwide*, 544 F. Supp. 2d at 963 (dismissing a second-filed suit because the first-filed matter was more developed). Furthermore, none of the recognized exceptions to the first-to-file rule apply here. *See id.* at 960-62 (discussing exceptions to the first-to-file rule); *see also Alltrade*, 946 F.2d at 628 (same).

The application of the first-to-file rule is all the more important to enforce when the same party is the plaintiff in both concurrent actions. "[A]ny exception for cases where the same party

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<sup>3</sup> The involvement of Print2Finish, LLC, as a defendant in the Pennsylvania case is immaterial. The first-to-file rule is satisfied "if some [of] the parties in one matter are also in the other matter, regardless of whether there are additional unmatched parties in one or both matters." *Intersearch Worldwide*, 544 F. Supp. 2d at 959 n.6.

1 is plaintiff in both actions would entail the danger that plaintiffs may engage in forum shopping  
 2 or, more accurately, judge shopping. When they see a storm brewing in the first court, they may  
 3 try to weigh anchor and set sail for the hopefully more favorable waters of another district.”  
 4 *Semmes Motors, Inc. v. Ford Motor Co.*, 429 F.2d 1197, 1203 (2d Cir. 1970). Reasonable  
 5 observers may well conclude that there was a “storm brewing” in Judge Robreno’s court, when  
 6 on one day in April 2010, he denied five Quad/Tech motions. *Quad/Tech*, 701 F. Supp. 2d at  
 7 658. And shortly thereafter, when Judge Robreno denied Quad/Tech’s motion to lift the stay of  
 8 the Pennsylvania case, Quad/Tech “set sail” for California. *See* Pennsylvania Docket, at Docket  
 9 Entry No. 114 (Exhibit A). Quad/Tech, a Wisconsin-headquartered corporation, selected the  
 10 Eastern District of Pennsylvania as the forum to resolve its disputes with QIPC. Let that choice  
 11 prevail, and this case be dismissed in favor of the first-filed one.

12 **C. In the Alternative, the Court Should Transfer This Case to the Eastern**  
 13 **District of Pennsylvania Pursuant to 28 U.S.C. § 1404(a).**

14 If this Court chooses not to dismiss this case, the balance of factors under 28 U.S.C.  
 15 § 1404(a) strongly favors transferring the case to the Eastern District of Pennsylvania. “For the  
 16 convenience of parties and witnesses, in the interest of justice, a district court may transfer any  
 17 civil matter to any other district or division where it might have been brought.”<sup>4</sup> 28 U.S.C.  
 18 § 1404(a). To determine whether the convenience of the parties and the interests of justice  
 19 warrant transfer, courts in the Ninth Circuit examine: “(1) plaintiff’s choice of forum; (2)  
 20 convenience of the parties and witnesses; (3) ease of access to the evidence; (4) familiarity of  
 21 each forum with the applicable law; (5) feasibility of consolidation with other claims; (6) any  
 22 local interest in the controversy; and (7) the relative court congestion and time to trial in each  
 23 forum.” *Cardoza v. T-Mobile USA Inc.*, No. 08-5120 SC, 2009 U.S. Dist. LEXIS 25895, at \*6  
 24 (N.D. Cal. Mar. 18, 2009).

25 \_\_\_\_\_  
 26 <sup>4</sup> Quad/Tech cannot dispute that this action could have been brought in the Eastern District of  
 27 Pennsylvania, as required for transfer pursuant to 28 U.S.C. § 1404(a). Indeed, Quad/Tech  
 28 already attempted to assert infringement by QIPC’s IDS in that court, but was properly denied  
 leave to amend its complaint owing to other factors. There is no dispute over personal  
 jurisdiction and venue in the Pennsylvania case.



1 The Section 1404(a) factors demonstrate the propriety of transferring this action. In this  
2 case, Quad/Tech's choice of forum is not entitled to deference, because it appears to be a case of  
3 forum shopping. See *Alexander v. Franklin Res., Inc.*, No. 06-7121 SI, 2007 U.S. Dist. LEXIS  
4 19727, at \*11 (N.D. Cal. Feb. 14, 2007) ("[T]he Ninth Circuit has established that courts should  
5 disregard a plaintiff's forum choice where the suit is a result of forum-shopping. One could  
6 reasonably infer forum shopping here, where the same plaintiff represented by the same law firm  
7 filed a similar lawsuit in New Jersey, and after receiving unfavorable rulings from that court, filed  
8 the instant case.") (citation omitted).

9 With respect to the convenience of the parties and witnesses, "appearing in a single  
10 district is more convenient than appearing in two different districts on opposite coasts of the  
11 country." *Alexander*, 2007 U.S. Dist. LEXIS 19727, at \*10. Transfer to the Eastern District of  
12 Pennsylvania, therefore, would allow all the parties and witnesses to appear in a single court  
13 proceeding and eliminate the costs of any necessary cross-country travel. Moreover, written  
14 discovery and document production has already occurred in the Pennsylvania case, and those  
15 materials are located there. Pennsylvania is more convenient for a small Rhode Island company  
16 than is California. See *In re Genentech, Inc.*, 566 F.3d 1338, 1343-45 (Fed. Cir. 2009) ("In patent  
17 infringement cases, the bulk of the relevant evidence usually comes from the accused infringer.  
18 Consequently, the place where the defendant's documents are kept weighs in favor of transfer to  
19 that location.").

20 Both this Court and the Eastern District of Pennsylvania are equally capable of applying  
21 applicable federal patent law, and neither California nor Pennsylvania has special local interest in  
22 the controversy in this case. The time to trial is significantly less in the Pennsylvania case,  
23 because the preliminary injunction proceedings and extensive discovery have already occurred in  
24 Pennsylvania, and both lawsuits involve many common questions of law and fact related to  
25 QIPC's alleged infringement of the '577 patent.

26 For these reasons, the factors under section 1404(a) favor transfer to the Eastern District  
27 of Pennsylvania for disposition in conjunction with Quad/Tech's prior patent infringement claim  
28 against QIPC. Disposition in Pennsylvania would be more expeditious and more convenient for

the parties and the witnesses, and would avoid (a) a waste of judicial resources and (b) the risk of inconsistent rulings, orders, and possibly judgments.

#### IV. CONCLUSION

For all of the foregoing reasons, QIPC respectfully request that the Court dismiss the First Amended Complaint. In the alternative, QIPC respectfully request that this Court transfer the California case to Judge Eduardo C. Robreno in the Eastern District of Pennsylvania.

Respectfully submitted,

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